

DEPARTMENT OF DEFENSE WAGE COMMITTEE  
(Appropriated/Nonappropriated Fund)  
Summary of 2419<sup>th</sup> Meeting – January 3, 2017

Purpose of Meeting: To consider the following:

APPROPRIATED FUND

1. New Orleans, Louisiana (Full Scale)
2. Richmond, Virginia (Full Scale)
3. Wilmington, Delaware (Wage Change)
4. Topeka, Kansas (Wage Change)
5. Wichita, Kansas (Wage Change)
6. Biloxi, Mississippi (Wage Change)
7. Roanoke, Virginia (Wage Change)

ADDED ITEMS

NONAPPROPRIATED FUND

8. Bernalillo, New Mexico (Survey Specifications)

APPROPRIATED FUND

9. New Orleans, Louisiana (Addendum to Survey Specifications)
10. Northeastern Arizona (Survey Specifications)
11. Phoenix, Arizona (Survey Specifications)
12. Tucson, Arizona (Survey Specifications)
13. New Haven-Hartford, Connecticut (Survey Specifications)
14. Louisville, Kentucky (Survey Specifications)
15. Minneapolis-St. Paul, Minnesota (Survey Specifications)
16. Albany-Schenectady-Troy, New York (Survey Specifications)
17. Northern New York (Survey Specifications)
18. West Virginia (Survey Specifications)

The meeting was closed to the public on the basis of a determination under section 10(d) of the Federal Advisory Committee Act (Public Law 92-463) that the closing is necessary because matters considered relate to the internal personnel rules and practices of the Department of Defense and the wage survey data considered by the Committee in the development of FWS schedule recommendations have been obtained from private industry with the guarantee of confidentiality (5 USC 552b).

Alt. Chairman: Mr. Eric Clayton

DFO: Mr. James Brady

Members: Ms. Sylvia Webb

Mr. David Pedersen

Mr. Jason Munro

Chief, Wage & Salary Division

(Army)

Absent

(DLA)

(Navy)

Absent

(AFGE)

(Air Force)

Mr. Dennis Phelps

(IBEW)

Mr. Paul O'Connor

(IBEW Observer)

Technical Staff:

Mr. William Becht

NAF Presenter

Mr. Brian Bauer

AF Presenter

Ms. Karen Kurian

NAF Recorder

Ms. Stacy Nelson

AF Recorder

Ms. Kieu Nguyen

AF Observer

Proceedings: The meeting convened at 10:00 a.m. at 4800 Mark Center Drive, Room 05K25, Alexandria, Virginia.

### APPROPRIATED FUND

#### (1) New Orleans, Louisiana (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The area qualifies for an aircraft dominant industry. The reference area is Dallas-Fort Worth, Texas.

The Staff-proposed payline, using the inside-the-area data only is the Unit (All Data) line. Data-Fit by Job Average: Fourteen of the 22 survey job averages with 2,723 samples representing 54.81% of the data fit the unit line, and the remaining 8 with 2,245 samples representing 45.19% of the data fit the frequency line. Data-Fit by Grade Average: Six of the 8 grade weighted averages with 1,926 samples representing 12 jobs and 38.77% of the data fit the unit line, and the remaining 2 with 3,042 samples representing 10 jobs and 61.23% of the data fit the frequency line. The trend lines cross between grades 2 and 3. The Staff recommended the unit line as the most representative wage line.

The Staff-proposed payline, including reference area data, is the Frequency (All Data) line. Data-Fit by Job Average: Fourteen of the 25 survey job averages with 2,455 samples representing 48.24% of the data fit the unit line, and the remaining 11 with 2,634 samples representing 51.76% of the data fit the frequency line. Data-Fit by Grade Average: Five of the 9 grade weighted averages with 1,532 samples representing 10 jobs and 30.10% of the data fit the unit line, and the remaining 4 with 3,557 samples representing 15 jobs and 69.90% of the data fit the frequency line. The trend lines cross between grades 1 and 2. The Staff recommended the frequency line as the most representative wage line.

Application of the formula for adding aircraft industry data resulted in a Staff-proposed payline derived as follows: the rates for grade 1 and 2 are from the within area line; the rates for grades 3 through 5 are from the combined trend line, which includes data from the Dallas-Fort Worth, Texas aircraft establishments; and the rates for grades 6 through 15 are from the reference area line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.23 per hour at grade 1 to \$2.87 per hour at grade 15 with an average of \$1.5820 per hour, or 6.72%.



Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.4720 per hour or 2.40%. The average lag for FY 2017 is \$5.0320 per hour, or 25.05%

MOTION: Ms. Webb moved, seconded by Mr. Pedersen, that the Staff-proposed schedule be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(2) Richmond, Virginia (Full Scale) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed payline is the Unit (All Data) line. Data-Fit by Job Average: Eight of the 13 survey job averages with 1,052 samples representing 57.05% of the data fit the unit line, and the remaining 5 with 792 samples representing 42.95% of the data fit the frequency line. Data-Fit by Grade Average: Four of the 6 grade weighted averages with 1,243 samples representing 10 jobs and 67.41% of the data fit the unit line, and the remaining 2 with 601 samples representing 3 jobs and 32.59% of the data fit the frequency line. The trend lines do not cross. The Staff recommended the unit as the best-fit wage line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.16 per hour at grade 1 to \$0.34 per hour at grade 15 with an average of \$0.2513 per hour, or 1.00%. Application of CPM 2016-22, dated 27 December 2016, for the Richmond, VA locality resulted in an average increase of \$0.5380 per hour, or 2.39%. The average lag for FY 2017 is \$2.3826 per hour, or 10.37%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.5260 per hour, or 2.35%. The average lag for FY 2017 is \$2.4733, or 10.81%.

MOTION: Ms. Webb moved, seconded by Mr. Pedersen (for DLA), that the Staff-proposed schedules be recommended for adoption.

VOTE: The motion passed by unanimous vote.

(3) Wilmington, Delaware (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The area qualifies for an aircraft dominant industry. The reference area is Philadelphia, Pennsylvania.

Application of the formula for adding aircraft industry data resulted in a Staff-proposed payline derived as follows: the rates for grades 1 through 4 and 9 through 15 are from the within-area line; the rates for grades 5 through 7 are from the combined trend line which includes data from the Philadelphia aircraft establishments; and the rate for grade 8 is from the reference area line.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.29 per hour at grade 1 to \$0.75 per hour at grade 15 with an average of \$0.5133 per hour, or 2.08%. Application of CPM 2016-22, dated 27 December 2016, for the Philadelphia-Reading-Camden, PA-NJ-DE-MD GS locality resulted in an average increase of \$0.5706 per hour, or 2.40%. The average lag for FY 2017 is \$0.8973 per hour, or 3.69%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.5320 per

hour, or 2.28%. The average lag for FY 2017 is \$1.3346 per hour, or 5.60%. Application of CPM 2016-22, dated 27 December 2016, for the Washington-Baltimore-Arlington, DC-MD-VA-WV-PA GS locality resulted in an average increase of \$0.6760 per hour, or 2.89%. The average lag for FY 2017 is \$1.1546 per hour, or 4.80%.

The Staff-proposed schedules were adopted by consensus.

(4) Topeka, Kansas (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.26 per hour at grade 1 to \$0.52 per hour at grade 15 with an average of \$0.3920 per hour, or 1.65%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.5220 per hour, or 2.40%. The average lag for FY 2017 is \$1.8166 per hour, or 8.17%. Application of CPM 2016-22, dated 27 December 2016, for the Kansas City-Overland Park-Kansas City, MO-KS GS locality resulted in an average increase of \$0.5220 per hour, or 2.40%. The average lag for FY 2017 is \$1.8166 per hour, or 8.17%.

The Staff-proposed schedule was adopted by consensus.

(5) Wichita, Kansas (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.23 per hour at grade 1 to \$0.34 per hour at grade 15 with an average of \$0.2866 per hour, or 1.14%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.5393 per hour, or 2.19%. The average lag for FY 2017 is \$0.2253 per hour, or 0.89%.

The Staff-proposed schedule was adopted by consensus.

(6) Biloxi, Mississippi (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.

The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.37 per hour at grade 1 to \$0.59 per hour at grade 15 with an average of \$0.4866 per hour, or 2.01%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.4853 per hour, or 2.40%. The average lag for FY 2017 is \$3.9473 per hour, or 19.11%.

The Staff-proposed schedule was adopted by consensus.

(7) Roanoke, Virginia (Wage Change) (Bauer)

Survey exhibits were distributed and reviewed. Mr. Bauer provided a summary of the survey results.



The Staff-proposed unrestricted schedule provides adjustments ranging from \$0.14 per hour at grade 1 to \$0.50 per hour at grade 15 with an average of \$0.3153 per hour, or 1.51%. Application of CPM 2016-22, dated 27 December 2016, for the Rest of U.S. GS locality resulted in an average increase of \$0.4560 per hour, or 2.34%. The average lag for FY 2017 is \$1.2406 per hour, or 6.22%.

The Staff-proposed schedule was adopted by consensus.

#### ADDED ITEMS:

##### NONAPPROPRIATED FUND

##### (8) Bernalillo, New Mexico (Survey Specifications) (Becht)

The survey specifications were distributed and reviewed. The Committee adopted the survey specifications by consensus.

##### APPROPRIATED FUND

##### (9) New Orleans, Louisiana (Addendum to Survey Specifications) (Bauer)

The proposed addendum to the survey specifications was distributed and reviewed. Dallas-Fort Worth, Texas is determined to be the nearest wage area with both adequate aircraft industry and data.

The Committee adopted the addendum as presented and by consensus.

##### (10) Northeastern Arizona (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

##### (11) Phoenix, Arizona (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

##### (12) Tucson, Arizona (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. The Tucson, Arizona wage area qualifies for an aircraft dominant industry. As in past surveys, it is anticipated that the private aircraft specialized industry and data within the area will be adequate to satisfy the S5-12 requirements. In the event the 2017 survey produces inadequate aircraft industry and data, an appropriate reference area will be recommended. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(13) New Haven-Hartford, Connecticut (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(14) Louisville, Kentucky (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(15) Minneapolis-St. Paul, Minnesota (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(16) Albany-Schenectady-Troy, New York (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. The Albany-Schenectady-Troy, New York wage area has an artillery and combat vehicles dominant industry. Past surveys of the area indicate there is insufficient artillery and combat vehicles industry and data within the area. If inside area artillery and combat industry and data are not adequate this survey, a nearest similar area determination will be recommended. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

(17) Northern New York (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

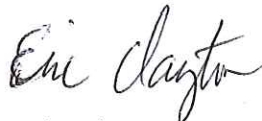
The Committee adopted the survey specifications as presented and by consensus.

(18) West Virginia (Survey Specifications) (Bauer)

The proposed survey specifications were distributed and reviewed. There were no significant changes to the proposed survey specifications from 2015.

The Committee adopted the survey specifications as presented and by consensus.

The meeting adjourned at 10:30 a.m.



Eric Clayton  
Alt. Chairman  
DoD Wage Committee